

**NOTICE TO UNEMPLOYMENT INSURANCE  
CLAIMANTS OF  
INCOME TAX WITHHOLDING PROGRAM**

**STATE OF ARKANSAS  
EMPLOYMENT SECURITY DEPARTMENT**

Unemployment benefits are subject to federal income tax. On January 1, 1997, the Arkansas Employment Security Department established a program to enable benefit claimants to have income tax deducted directly from their unemployment benefits. Under this program, 10% of your weekly benefit amount (*after applicable adjustments, such as earnings and retirement*) will be deducted for payment of federal income tax.

The choice of whether or not to make the income tax deduction from your weekly benefit amount is left entirely up to you. If you choose to have income tax deducted, you will not be required to make a quarterly estimated tax payment on the income you received from unemployment benefits. If you do not choose to have income tax deducted from your benefits, you should consult an agent of the Internal Revenue Service, or your tax preparer, in regard to obtaining the proper forms and instructions necessary to make your quarterly estimated tax payment.

The Arkansas Employment Security Department can make a deduction for federal income tax **only**.

The deduction and withholding of money for the purpose of income taxes under the income tax deduction program will be made only after amounts are deducted and withheld for any overpayments of unemployment compensation, child support obligations, or any other amounts required to be deducted and withheld under the Arkansas Employment Security Law.

After the deduction of items with a priority over the income tax deduction is made from your weekly benefit amount, if there is not enough money left over to pay the requested income tax deduction in full, **then no deduction for income tax will be made during that week.**

You will be permitted to change your withholding status in the future if you desire. After you have made your original decision on your withholding status, you may change your decision one time during your benefit year. If you desire to change your original decision, you must request the change in writing through any local office of the Arkansas Employment Security Department.

**Please check your choice below, sign your name and enter your social security number, address (*including city, state, ZIP*) and date signed.**

- ☐ Yes, I choose to have a deduction made from my weekly amount for federal income tax.
- ☐ No, I do not choose to have federal income tax deducted from my weekly benefit amount.

SOCIAL SECURITY NO.:	SIGNATURE:	DATE SIGNED:
ADDRESS:		

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LOCAL  
OFFICE  
ADDRESS  
STAMP  
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